

VZCZCXRO4390
PP RUEHBC RUEHDE RUEHDIR RUEHKUK RUEHRN
DE RUEHKO #2851 1760231
ZNY SSSSS ZZH
P 250231Z JUN 07
FM AMEMBASSY TOKYO
TO RUCNIRA/IRAN COLLECTIVE PRIORITY
RUEHSS/OECD POSTS COLLECTIVE PRIORITY
RUEATRS/TREASURY DEPT WASHDC PRIORITY
RHEHAAA/NSC WASHDC PRIORITY
RUCPDOC/USDOC WASHDC PRIORITY
RUEHC/SECSTATE WASHDC PRIORITY 4834

S E C R E T TOKYO 002851

SIPDIS

SIPDIS

TREASURY FOR VICKIE ALVO

E.O. 12958: DNG: CO 06/21/2017

TAGS: PREL EFIN ETRD OECD

SUBJECT: TOKYO RESPONSE TO UNSCR 1747: FOLLOW-UP DEMARCHE TO PROMOTE RESTRICTIONS ON EXPORT CREDITS/FINANCING TO IRAN

REF: A. SECSTATE 81876

- 1B. SECSTATE 50834
- 1C. SECSTATE 37801
- 1D. SECSTATE 14071
- 1E. SECSTATE 4760
- 1F. SECSTATE 081875

Classified By: Charge d'Affaires, a.i., Joe Donovan.
Reasons 1.4 b/d

11. (U) This is an action request. Please see paragraph 4.

12. (S) FINATT delivered ref A points to Ministry of Economy Trade and Industry, Trade and Economic Cooperation Bureau, Trade Insurance Division Director Michihiro Kishimoto, on June 21. To the first of two suggested follow-on actions to UNSCR resolutions 1737 and 1747, &OECD Export Credit Group Action8, Kishimoto had no immediate response beyond a request for further time for deliberation by the Government of Japan.

13. (S) To the second suggested follow-on action, &seeking broader measures in our upcoming negotiations on a third sanctions resolution8, Kishimoto quickly asked how "Government of Iran" would be defined in the context of such a resolution. Kishimoto confirmed his concern over the issue of export credits to Iranian public firms. Kishimoto further requested clarification of how &private sector8 would be defined in such a resolution regarding export credits.

14. (S) Action request: Post requests guidance on how finely calibrated the respective definitions of "government" and "private sector" would be in any third sanctions resolution.

15. (S) Kishimoto noted that the suggested follow-on actions would prove &difficult8 for the Government of Japan, adding that Japan was frustrated by both the objective of the sanctions, and the lack of concrete information on why entities like Bank Sepah and Bank Saderat had run afoul of previous sanctions. Kishimoto concluded by asking for some time to confer with other government officials, and remarked that while &the U.S. position is understandable, sanctions should be applied reasonably, and not in a way that punishes Japanese firms and businesses.8

16. (S) Comment: Kishimoto's response, while not official, was somewhat negative, including his request for definitions of public and private sector. Support from the Government of Japan on a third UNSCR resolution against Iran could meet with some resistance, as frustration over the consequences of UNSCR 1737 and 1747 may have numbed the appetite for any

actions that unduly affect the activities of Japanese firms
doing business with Iran.
schieffer